

UNITED STATES DEPARTMENT OF AGRICULTURE

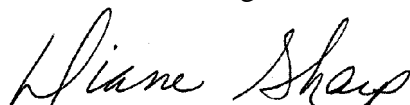
Farm Service Agency
Washington, DC 20250

Notice LP-1804

For: State and County Offices

**Marketing Assistance Loans and Loan Deficiency
Payments (LDP's) for Wheat Affected by the Karnal Bunt Fungus**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

Karnal bunt is a fungal disease of wheat, including durum and triticale. The presence of Karnal bunt fungus has recently been reported in the United States. To prevent the spread of Karnal bunt fungus, APHIS regulates infected or exposed areas. Additional information about Karnal bunt, including a map of regulated areas, may be found at the following website:

<http://www.aphis.usda.gov/ppq/emergencyprograms/karnalbunt/>.

CCC's objectives for Karnal bunt wheat grown in quarantined areas is to provide the best possible options for producers in quarantined areas who are affected by the Karnal bunt detections.

The provisions of this notice apply to all regulated areas.

B

Purpose

This notice provides the provisions for administering marketing assistance loans and LDP's to eligible producers on 2001 crop wheat harvested from regulated areas.

Disposal Date

April 1, 2002

Distribution

State Offices; State Offices relay to County
Offices

Notice LP-1804

2 Provisions for Loans and LDP's in Regulated Areas

A

Applicability

Marketing assistance loans and LDP's are available for 2001 crop wheat harvested in regulated areas. Determine eligibility according to 8-LP, Part 2.

B

Applicable Provisions

All other eligibility provisions in 8-LP remain applicable to issuing wheat loans and LDP's for wheat harvested from regulated areas.

C

Liquidating Loans

At loan maturity, producers shall be required to have the wheat tested at the time of delivery and make arrangements for the test with the local APHIS representative. Any handling charges associated with the delivery of the wheat shall be at the producer's expense.

D

Reporting

County Offices issuing loans or LDP's authorized by this notice shall:

- prepare and maintain a manual list indicating the following information for loans and LDP's disbursed in regulated areas:
 - State and county code
 - loan number
 - quantity
 - number of producers
 - loan/LDP amount
- report this information to the State Office by the first of each month.

State Offices shall:

- compile the information submitted by the County Office
 - FAX a copy of the county reports to PSD, Attn: Kimberly Pritchett. The FAX number is 202-720-9069.
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